

Defendant's Trial Exhibit 118



Policy No: 5.17

Subject: Corrective Action Program
Supersedes: All existing corporate and business unit policies on this subject
Effective: January 1, 1999
Reviewed: April 21, 2010, August 1, 2011
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Pages: 9
Approved by: Human Resources Executive Team (HRET)

1.0 Philosophy/Purpose

Henry Ford Health System believes that a strong and capable workforce is a direct result of how it treats its employees with respect to fairness and consistency. To that end HFHS has adopted a Corrective Action Program, which provides appropriate guidelines and administrative procedures for operational leadership to follow when an employee exhibits inappropriate or otherwise unacceptable behavior. HFHS furthermore believes that to foster self disclosure of safety events, these events should be analyzed with a focus on process improvement, prevention and education and not necessarily treated as an automatic work rule violation resulting in corrective action. *See Full Disclosure of Safety Events Policy 5.24.*

While HFHS will endeavor to follow the guidelines established in this policy, this policy and its contents should not be construed to negate or in any way alter the at-will employment relationship. *See Employment Statement Policy 3.02.*

2.0 Scope

Standards of conduct apply to all employees at all business units and corporate offices of Henry Ford Health System. Corrective action applies to all non-leadership employees other than employees still within their introductory period, employees who are contingent, temporary, or volunteers. For any one of these classifications, inappropriate behavior, performance difficulties or violations of standards of conduct may warrant action up to and including release from employment.

Corrective action as discussed under Section 5.6 of this Policy applies to all employees of Henry Ford Health System.

The policy and procedures enumerated below shall apply unless such policy or procedures are otherwise specified in a contract to which Henry Ford Health System, or a covered business unit, is a signatory. In such cases, the terms of the contract shall govern for employees covered by that contract, and such terms will take precedence over this policy.



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3.0 Responsibility

The interpretation, administration and monitoring for compliance of this policy shall be the responsibility of HFHS Chief Human Resources officer (CHRO) and/or his/her designee(s) in partnership with operational leadership.

4.0 Policy

Corrective action under this policy is intended as a means of correcting unacceptable work performance or behavior and providing an official record of HFHS' attempts to reach that end. Although the HFHS Corrective Action Program is generally progressive, HFHS retains the exclusive right to determine the appropriate corrective action to be taken depending upon the circumstances of each case. In addition, illegal activities may result in criminal and/or civil prosecution.

4.1 HFHS' s Right to Modify this Policy

Henry Ford Health System periodically reviews and revises its policies, and this policy, as with all others, is subject to change at HFHS' discretion without prior notice. This policy supersedes all prior written policies on this subject.

5.0 Practice/Procedure

Henry Ford Health System recognizes that some behaviors and/or violations of inappropriate behavior, performance difficulties or violations of the standards of conduct are more serious than others. In general, the more serious the violation is, the more serious the corrective action will be. Standards of conduct violations generally begin with a formal documented counseling. Additional standard of conduct violations, even if for a different reason within a 12-month period, will result in the next appropriate level of corrective action. The series of warnings, which result in termination, do not have to be for the same type of violation. Some violations of conduct are considered very serious and may result in suspension or termination of employment, even if the employee has no other active corrective action.

After a decision to apply corrective action has been made, the appropriate level of corrective action must then be determined. Subsequent incidents of misconduct may skip steps. Violations that are deemed more serious in nature may start at any of the corrective action steps. Each corrective action taken shall remain valid for twelve (12) months from the date the corrective action was issued.

5.1 Investigation Prior to Corrective Action

When an allegation of a standards of conduct, policy or procedure violation has been reported to a supervisor, the supervisor shall conduct an investigation to determine the validity of the accusation.

- 5.1.1 If the employee's behavior is disruptive to normal business operations or in any way hazardous to patients, visitors or others, the supervisor may immediately suspend the employee pending an outcome of the investigation and order the employee to immediately leave HFHS property.
- 5.1.2 The supervisor, in consultation with Human Resources, will determine the appropriate level of corrective action to be taken. All decisions resulting in termination must have the approval of the appropriate operational leader and the local business unit Human Resources leader or her/his designee, prior to taking such action.

5.2 Corrective Action Steps

Henry Ford Health System recognizes that some behaviors and/or violations of standards of conduct are more serious than others. In general, the more serious the violation is, the more serious the corrective action will be. Based on this premise, the standards of conduct have been divided into two (2) groups:

Group I: These standards of conduct are less serious in nature, and any violation of these rules may result in the progressive corrective action steps described within this policy. Violation of a Group I standard generally begins with a formal documented counseling. Additional violations of any Group I rule, even if for a different reason within a 12-month period, will result in the next appropriate level of corrective action. The series of warnings, which result in termination, do not have to be for the same type of violation.

Group II: These standards of conduct are considered very serious and any violation may result in suspension or termination of employment. A violation of a Group II standard of conduct is generally cause for more serious corrective action up to and including termination of employment. Acts of this severity include but are not limited to willful, malicious, deliberate, negligent or other serious acts.

For standards of conduct, policy or procedure violations and work performance difficulties that lend themselves to progressive corrective action, the following steps will apply:

5.2.1 Verbal Counseling

A verbal counseling is not a required or formal step of the corrective action process – a verbal counseling is intended to assist an employee in correcting a minor situation. Any verbal counseling should be maintained as part of a supervisor or manager's anecdotal notes.

5.2.2 Step One – Documented Written Counseling

When a verbal counseling has not been successful or where the circumstances warrant more severe corrective action, an employee shall receive a documented written counseling. A documented counseling is used to inform an employee that should the undesired performance or behavior(s) continue, further corrective action will ensue. The documented counseling will be kept in the employee's department.

5.2.3 Step Two – Written Warning

In cases where a verbal counseling or a documented counseling has not been successful or where the circumstances warrant more severe corrective action, an employee shall receive a written warning. The written warning must be documented and discussed with the employee.

5.2.4 Step 3 – Written Warning with Suspension

In cases where corrective action has not been successful or where circumstances warrant more severe disciplinary action, a written warning accompanied with a suspension is the next step. Corrective action suspensions are unpaid and vary in length between 1 to 5 days, depending upon the severity of the corrective action. Suspensions require consultation and approval of Human Resources. Suspensions pending investigation of an incident do not have a specific time limit or number of days and are unpaid as well, but may result in retroactive payment depending on the outcome of the investigation. An employee's unpaid suspension from work for a violation of policy should take place within five (5) days of the date the employee is administered the corrective action.

Employees on a corrective action at the level of suspension cannot bid for HFHS positions for 12 months.

5.2.5 Step Four – Termination

In cases where prior progressive corrective action has not been successful or where circumstances otherwise warrant, including but not limited to serious standard of conduct violations, occurring as a single incident, such as dishonesty, extreme negligence of duty, willful misconduct and engaging in illegal activities, an employee may be terminated from employment with HFHS.

When a supervisor determines that termination is the appropriate action, the supervisor shall present the recommendation and all related documentation, to operational leadership for review. All decisions resulting in termination must have the approval of Human Resources prior to taking such action.

In cases when an employee is terminated for gross misconduct or a Group II violation in one Business Unit, the employee will also be terminated from all other Business Units. Concurrent employees terminated for performance issues and working a in the same job title, will also be reviewed for termination from all Business Units.

5.3 Acknowledgement of Corrective Action

When an employee is issued a corrective action at the level of documented counseling or above, the supervisor is required to review the action taken with the employee and ask the employee to sign the action notice form, acknowledging that the form has been reviewed with her or him. Acknowledging receipt and review of the corrective action form does not mean that the employee agrees with the supervisor's determination or the corrective action form. An employee may at her/his choosing elect to provide comments on the corrective action form. If the employee declines to sign the corrective action form, a second supervisor's signature, or that of another witness, is required. The employee should be given a copy of the corrective action form.

5.4 Duration of Corrective Action

All corrective action forms shall be placed in an employee's official personnel file. In the case of a documented counseling, the form will be maintained in the employee's departmental file only.

If a corrective action is reversed by such approved mechanisms as the *Alternative Dispute Resolution (ADR) Program, HR Policy 5.25*, the corrective action form shall be removed from the employee's official personnel file and the employee's departmental file.

Each corrective action taken (not the incident) shall remain valid for twelve (12) months from the date of the corrective action. In general, once an employee has received corrective action at one step, if another incident necessitating progressive corrective action occurs within twelve (12) months, it shall be applied at the next higher step.

5.5 Newly Hired Employees/Others

Progressive corrective action is not available to employees still within their introductory period or employees who are contingent, temporary, or volunteers. For any one of these classifications work rule, policy, procedure or other violations or misconduct may warrant immediate termination. *See also Introductory Period Policy 4.01.*

5.6 Access To and Use of Patient Information

Privacy Policy H-001 defines acceptable access to and use of patient information by Henry Ford Health System employees.

Privacy Policy H-023 further defines acceptable conditions for accessing patient information for personal use.

Violations of this policy are subject to the separate corrective action guidelines below. Any standard of conduct violations within a twelve (12) month period, even if for a different reason, will result in the next level of corrective action. Each corrective action taken shall remain valid for twelve (12) months from the date the corrective action was issued.

5.6.1 Group I – With Knowledge and Approval:

- Patient information electronically or manually accessed, with patient knowledge and approval and not for Henry Ford Health System business-related purposes.

Step One – Written Warning/Policy Reeducation

Step Two – Written Warning with Suspension/Policy Reeducation

Step Three – Termination

5.6.2 Group II – Without Knowledge or Approval:

- Patient information electronically or manually accessed without patient knowledge or approval and not for Henry Ford Health System business-related purposes.
- Patient demographic information accessed and shared with no harm intended.

Step One – Written Warning with Suspension/Policy Reeducation

Step Two – Termination

5.6.3 Group III – Malicious Use and Disclosure:

- Patient information electronically or manually accessed which is shared and/or disclosed and used in a malicious and/or harmful manner and/or to the employees' benefit.
- Patient information (excluding demographic information) electronically or manually accessed which is shared and/or disclosed.

Step One – Termination

5.7 Standards of Conduct

Our standards of conduct are intended only as guidelines. As new situations arise, these rules may be added to or amended at the sole discretion of HFHS to include and help clarify specific work situations for our employees. Acts of misconduct which occur but which are not listed or directly addressed in this policy will likewise be subject to appropriate corrective action depending on the seriousness of the conduct. Depending upon the severity of the violation of standard of conduct, the corrective action can be issued at either a Group 1 or Group 2 level. **This list is not all-inclusive but is an example of some of the common sense guidelines governing the work place.**

Henry Ford Health System recognizes that some behaviors and/or violations of standards of conduct are more serious than others. Less serious infractions should result in the progressive steps outlined within this policy. Infractions more serious in nature such as (but not limited to) dishonesty, extreme negligence of duty, willful misconduct and engaging in illegal activities may result in the corrective action being issued at higher levels of steps up to and including immediate termination of employment.

Standards of Conduct

1. Failure to meet satisfactory performance levels or the work standards.
2. Unauthorized posting or removal of notices, signs, pictures or writing in any form on bulletin boards on Henry Ford Health System property.
3. Violation of HFHS or departmental dress code.
4. Entrance to any unassigned or unauthorized area without permission.
5. Violation of attendance/tardiness policy.
6. Inappropriate use of HFHS equipment or supplies.
7. Parking in unauthorized areas.

8. Violation of service excellence (customer service standards).
9. Use, consumption, possession, distribution, sale, offering for sale, or being under the influence of narcotics, intoxicants or other legally prescribed or illegally controlled substances on HFHS property at any time, except when prescribed by the employee's personal physician in writing and with prior permission to work having been granted by the employee's supervisor.
10. Stealing, unauthorized use, misappropriation or possession of property of HFHS, other employees, patients or visitors or attempting to do the same.
11. Unprofessional conduct as well as physical or verbal altercations on HFHS property, or off-site if the physical or verbal altercation emanates from work.
12. Discrimination or harassment including threat, intimidation, coercion or interference.
13. Possession of weapons or committing an illegal act on HFHS property.
14. Breach of confidentiality and falsification, alteration, unauthorized access or disclosure of information included in personnel files, HFHS documents and patient records.
15. Insubordination.
16. Willful use of the time card of another employee or utilizing another employee's identification badge to sign in/out for work.
17. Restricting or willfully withholding productivity such as sleeping or assuming the position of sleeping while at work or conducting personal business on company time.
18. Smoking in unauthorized areas.
19. Inattention or negligence of duties that can potentially endanger or harm patients, visitors or employees.
20. Disregard of health, safety or security rules and practices.
21. Engagement in illegal activities or actions that may lead to termination of employment.
22. Unauthorized electronic recording of any communications or meetings while on HFHS premises.

System-Wide Corrective Action Program HR Policy No: 5.17

Page 9 of 9

Attachments to HR Policy 5.17

ADR Panel Selection Process
ADR Appeals Process
ADR Appeals Form
ADR Appeal Response Form
Corrective Action Form

See also: *Attendance and Tardiness Policy 5.02*
 Employee Assistance Program Policy 6.14
 Employment Statement Policy 3.02
 Introductory Period Policy 4.01
 Patient Safety Policy 5.24
 Workplace Violence Policy 5.13